

Meeting of the Cabinet – 6th January 2020

Report of the Director of Regeneration and Enterprise

Community Infrastructure Levy (CIL) – Approval of 2019 Spend (Autumn)

Purpose

1. To seek Cabinet approval for:
 - the partial spend of CIL receipts.

Recommendations

2. It is recommended that:-
 - Cabinet approves the rolling forward of remaining CIL monies for consideration of spend.
 - Cabinet approves the transfer of up to £72,318.00 Capital and Revenue Infrastructure CIL receipts to The Friends of Mary Stevens Park following receipt of costings and completion for play area improvements at Mary Stevens Park. If work is not completed by December 2021, it is recommended that the £72,318.00 monies are made available to alternative projects.
 - Cabinet approves the transfer of £165,000.00 Capital and Revenue Infrastructure CIL receipts to Dudley Metropolitan Borough Council following receipt of detailed costings and completion of works for Castle Hill Woodland Project. If work is not completed by December 2021, it is recommended that the £165,000.00 monies are made available to alternative projects.



Background

3. CIL is a mechanism to secure financial contributions from developers on certain viable developments to fund or part fund infrastructure required to support growth and regeneration within the Borough. CIL monies can be used to fund provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the area.

4. Regulation 123 List

Any council that implements a CIL is required to have a Regulation 123 List. This is a list of specific costed projects and types of infrastructure that have been identified by various infrastructure providers across the Borough as candidates to be funded or part funded by CIL monies. It should be noted that inclusion on the List does not guarantee that CIL monies will in the future be allocated to the project; however CIL monies cannot be allocated to a project that is not included on the List.

5. Spend of CIL receipts

Cabinet approved the process for the allocation and spend of CIL monies at its meeting on 26th October 2016. In relation to the spend of CIL receipts, the CIL regulations require that they are split into 3 categories as follows:

| | |
|--|--|
| Capital and Revenue Infrastructure Funding | 80% (or 70% where a Neighbourhood Plan* is in place) |
| Neighbourhood Funding | 15% capped at £100 per dwelling (or 25% in areas where a Neighbourhood Plan* is in |
| Administrative Expenses | Up to 5% |

**NB there are currently no Neighbourhood Plans in Dudley*

Council agreed at its meeting on 9th April 2018, that any capital expenditure approved by Cabinet in future to be funded from CIL was to be included in the Capital Programme.

6. Capital and Revenue Infrastructure Funding CIL receipts

These CIL receipts can only be spent on projects or types of infrastructure that are listed within the Council's Regulation 123 List and can be used to fund the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of an area.



7. A total of £518,520.57 has been received since the introduction of CIL (of which £274,996 has been allocated to date). Seven bids were submitted to the Council for consideration. These were as follows:
- a) £2,000.00 – For removal of fly tipping from the watercourse near Ten Acre Road, Gornal (submitted by Woodsetton Charitable Trust).
 - b) £110,000.00 – For improvements to the Worcestershire Mid-Catchment Area to aid fish passage (submitted by Severn Rivers Trust).
 - c) £58,920.00 – For the erection of the Stour Bridge parapet enhancement and celebration of ‘Monarch’s Way’ (Public Art) (submitted by Transitions Stourbridge and Dudley Metropolitan Borough Council Artist).
 - d) £72,318.00 – For improvements to the play area at Mary Stevens Park, Stourbridge (submitted by Friends of Mary Stevens Park).
 - e) £23,781.00 – Erection of a sensory trail within the community garden at Stevens Park, Quarry Bank (submitted by Dudley Metropolitan Borough Council Environmental Services Greenspace).
 - f) £40,000.00 – Design works for a flood mitigation system in Wollaston, to include existing sewer and network drain survey, hydraulic modelling and mitigation options (submitted by Dudley Metropolitan Borough Council Project Engineer).
 - g) £165,000.00 – Works involved within the Castle Hill woodland project and Peggy’s Meadow to include; enhancing ecological biodiversity and geodiversity, protecting the boundaries of the site from illegal fly tipping and the creation of a network of suitable paths and cycle routes (submitted by Dudley Metropolitan Borough Council Design and Delivery Manager).
8. The bids were considered by a CIL Assessment Panel comprising of Dudley MBC officers in October 2019. The outcomes were as follows:
- a) The woodland project at Castle Hill and Peggy’s Meadow satisfied criteria for CIL funding and scored 37 out of a possible 40 against the Scoring Prioritisation Matrix.
 - b) The improvements to the play area at Mary Stevens Park satisfied criteria for CIL funding and scored 33 out of a possible 40 against the Scoring Prioritisation Matrix.
 - c) The sensory trail at Stevens Park satisfied criteria for CIL funding and scored 28 out of a possible 40 against the Scoring Prioritisation Matrix.



- d) The Stour Bridge public art satisfied criteria for CIL funding and scored 27 out of a possible 40 against the Scoring Prioritisation Matrix.
- e) The improvements to the catchment area to allow for fish passage satisfied criteria for CIL funding and scored 21 out of a possible 40 against the Scoring Prioritisation Matrix.
- f) The watercourse clearance satisfied criteria for CIL funding and scored 19 out of a possible 40 against the Scoring Prioritisation Matrix.
- g) The design works for the flood mitigation project in Wollaston did not satisfy the criteria for CIL funding and was not scored. The project is pre-design works only at this stage and it cannot be confirmed that CIL funding would result in the completion of the project.

The woodland project at Castle Hill and Peggy's Meadow and the improvements to the play area at Mary Stevens Park have both satisfied the criteria for CIL funding and scored the highest against the Scoring Prioritisation Matrix. Members should note that there were insufficient CIL funds available to fund projects which scored in 3rd or 4th place.

9. Capital and Revenue Infrastructure Funding CIL receipts

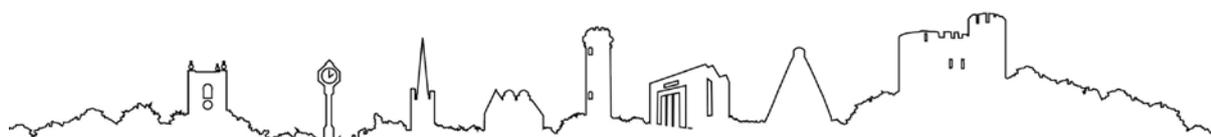
The remaining CIL monies will be rolled over to the next bidding process. These will be combined with any further CIL income and will be made available for bids from projects on the Regulation 123 List. Currently there is a total of £6,206.57 remaining, after allocation to the above named projects.

Finance

10. Since the introduction of CIL, a total of £648,150.72 of income has been received. As detailed in the body of the report, this has been allocated as follows:

| | |
|--|-------------|
| Capital & Revenue Infrastructure funding (80%) | £518,520.57 |
| Neighbourhood Funding (15%) | £97,222.61 |
| Administrative Expenses Funding (5%) | £32,407.54 |
| Previous allocation to Canal & River Trust | £30,000.00 |
| Previous allocation to Dudley MBC Borough Artist | £44,500.00 |
| Previous allocation to Dudley MBC Project Engineer | £200,000.00 |
| Previous allocation to Woodsetton Charitable Trust | £496.00 |

Of the Capital & Revenue Infrastructure amount, including the amounts detailed in this report, £512,314.00 has been allocated to projects. This leaves



£6,206.57 still to be allocated which will be rolled over to the next bidding process.

To date, no monies have been allocated through the Neighbourhood Funding, meaning the full £97,222.61 is still available for allocation.

Law

11. CIL, including the requirement for a Regulation 123 List and the spend of CIL receipts, came into force on 6th April 2010 through the Community Infrastructure Levy Regulations (as amended). The Planning Act 2008 provides a wide definition of the infrastructure that can be funded by the Levy, including flood defences, health, transport and social care facilities (list is not exhaustive).
The Regulations do not permit Affordable Housing to be funded through CIL as this will continue to be collected through traditional planning obligations. The three mandatory tests which must, as a matter of law, be satisfied when seeking planning obligations are set out in Regulation 122 of the CIL Regulations 2010 (as amended) namely: they must be a) necessary to make the development acceptable in planning terms b) directly related to the development and c) fairly and reasonably related in scale and kind to the development.

Equality Impact

12. The proposals take into account the Council's Policy on Equality and Diversity. An up to date Regulation 123 list will assist in ensuring that the mitigation and benefits of development are address across the Borough. This will include meeting the needs of children and young people by seeking to provide sufficient facilities for them as well as having a positive effect on future generations. Details of the consultation will be promoted through a range of methods, including social media to encourage children and young people to get involved.

Organisational Development/Transformation

13. It is considered that by increasing the bidding opportunities available for projects then more of the available money will be allocated. This will speed up the process for progressing the projects, thus improving service transformation. There are considered to be no human resources implications resulting from the proposals.

Commercial/Procurement

14. There are not considered to be any commercial or procurement implications as a result of this report.



Health, Wellbeing and Safety

15. Schemes that have been put forward through the CIL Regulation 123 List will have a positive impact on the health, wellbeing and safety of the residents, by providing improvements to environmental and social infrastructure across the Borough. This will promote healthy living and wellbeing for residents by creating opportunities for active lifestyles and healthy transport choices including walking, cycling and outdoor recreation. CIL assists with the delivery of an efficient and effective Planning service which contributes to the aims and objectives of the Council Plan and the Dudley Vision.



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List of Background Papers

**Dudley MBC: Community Infrastructure Levy (CIL) Regulation 123 List,
September 2019**

<https://www.dudley.gov.uk/media/12867/updated-reg123-list-august-2019.pdf>

